National Round Table on the Environment and the Economy

2010–11

Departmental Performance Report

The Honourable Peter Kent
Minister of the Environment

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Message from the President and CEO

Much has been achieved in 2010—2011, beginning with the May 2010 release of the first report under the *Climate Prosperity* series of the National Round Table on the Environment and the Economy (NRTEE or Round Table). *Measuring Up: Benchmarking Canada's Competitiveness in a Low-Carbon World,* assessed Canada's low-carbon competitiveness against other G8 nations in areas such as emissions and energy, skills, investment, innovation, and governance.

The second report released later in the winter, *Degrees of Change: Climate Warming and the Stakes for Canada,* featured a unique illustration of how climate change could impact Canada over the 21st century if global warming trends continue and summarized what we can expect from climate change across eight major categories of impacts.

The NRTEE launched a special collaborative initiative with the Royal Canadian Geographical Society to present the original *Degrees of Change* diagram in the October editions of the *Canadian Geographic* and *Géographica magazines*. Numerous resources in support of this initiative were developed, including interactive websites, the Canadian Atlas Online, regional dialogues, and lesson plans on climate change destined for hundreds of thousands of young Canadian students.

Parallel Paths: Canada-U.S. Climate Policy Choices is the third report of the *Climate Prosperity* series released this year. The report offered new analysis, insight, and advice on the implications of harmonizing climate policies in Canada with those of the United States and showed how Canada could progress even if the U.S. delayed action.

Throughout 2010–2011, the Round Table also continued to focus on its other major policy research program, *Water Sustainability and the Future of Canada's Natural Resource Sectors*. Building on extensive consultations with industry and other stakeholders, a first report, *Changing Currents*, was released in June 2010, and described the key water issues for those sectors and highlighted areas for recommendations and action.

The NRTEE also fulfilled its obligations under the *Kyoto Protocol Implementation Act*, undertaking a review and assessment of the government's 2010 KPIA Action Plan. The report represents the fourth response of the Round Table under the KPIA.

In addition to our research efforts, the NRTEE was more engaged in convening activities than ever before in 2010-2011, either by hosting or participating in over 60 stakeholder sessions and speaking engagements throughout Canada and abroad. We specifically used our convening authority to bring together business, governments and experts to further a dialogue on the sustainable development of the oil sands.

Since 1988, the NRTEE has developed expertise that positions us well to provide a unique and substantial contribution to Canada's economic prosperity through sustainable development. We look forward to continuing to provide the Government of Canada, Parliament, and Canadians with useful, timely, and relevant policy advice throughout 2011–2012.

David McLaughlin
NRTEE President and Chief Executive Officer

Section I: Organizational Overview

Raison d'être and Responsibilities

The raison d'être, or purpose, of the National Round Table on the Environment and the Economy (NRTEE or Round Table) is to play the role of catalyst in identifying, explaining, and promoting, in all sectors of Canadian society and in all regions of Canada, principles and practices of sustainable development.

The NRTEE interprets this broad mandate through a strategic focus on issues of national interest at the intersection of the environment and the economy. It examines the environmental and economic implications of priority issues and offers independent advice on how to address them.

Through its work, the NRTEE strives to influence policy development and decisions on issues pertaining to the environment and the economy. These promote economic prosperity for all Canadians while striving to preserve the environment for current and future generations.

Legislative Purpose

(a) undertaking research and gathering information and analyses on critical issues of sustainable development;

(b) advising governments on ways of integrating environmental and economic considerations into their decision-making processes and on global issues of sustainable development;

(c) advising those sectors and regions on ways of incorporating principles and practices of sustainable development into their activities;

(d) promoting the understanding and increasing public awareness of the cultural, social, economic, and policy changes required to attain sustainable development; and

(e) facilitating and assisting cooperative efforts in Canada to overcome barriers to the attainment of sustainable development.

National Round Table on the Environment and the Economy Act, Section 4

Created in 1988 by the Prime Minister, the NRTEE is an independent national advisory body reporting to the federal government and Parliament through the Minister of the Environment (see Figure 1 for the agency's internal organization and relationship to the federal government). The Round Table had its status formalized in a 1993 Act of Parliament, Bill C-72, *An Act to establish the National Round Table on the Environment and the Economy* (*NRTEE Act*).

The NRTEE is a departmental corporation (*Financial Administration Act*, Schedule II).

Drawing on their expertise and insight, the Round Table members direct the work of the NRTEE. The members are part-time Governor-in-Council appointees. They represent different regions of Canada and are distinguished leaders from business, labour, universities, public service, and environmental organizations. A complete list of the NRTEE's members can be found in section 4.

The Round Table normally meets four times each year in plenary sessions where members discuss priorities and review and approve the work of the Secretariat. A Secretariat in Ottawa, headed by a President and CEO, supports the members. In this context, the Secretariat provides program management, policy and research analysis, communications, and administrative services to the NRTEE members.

General information about the NRTEE and its membership can be found on the agency's website at www.nrtee-trnee.ca.

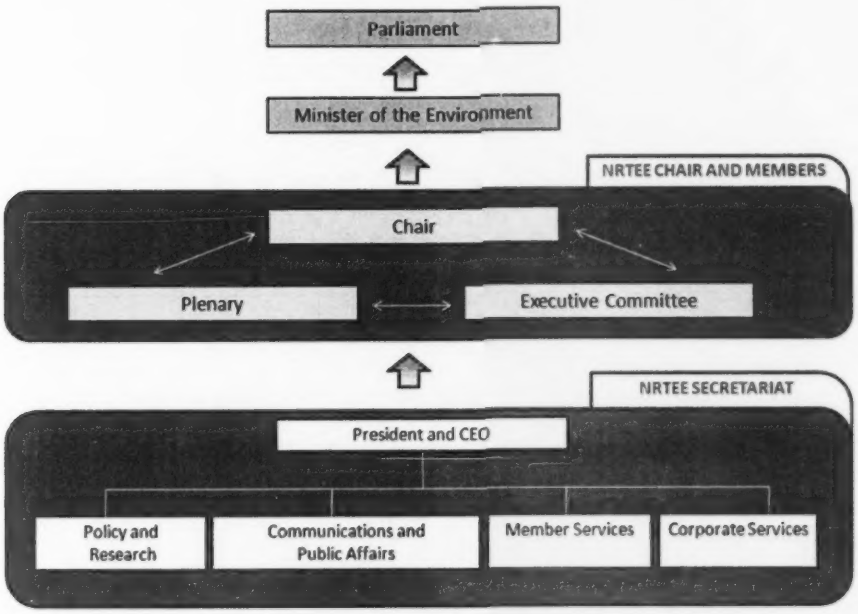

Figure 1: NRTEE internal organization and relationship to the federal government

Strategic Outcome(s) and Program Activity Architecture (PAA)

As approved by the Treasury Board of Canada Secretariat in June 2007, the NRTEE has a single Strategic Outcome and a key program activity, which the NRTEE strives to achieve in the effective pursuit of its mandate. It is as follows:

Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy.

In addition, the NRTEE has the standard Government of Canada Internal Services program activity.

Figure 2 illustrates the NRTEE's framework for its program activity, contributing toward the Agency's single Strategic Outcome.

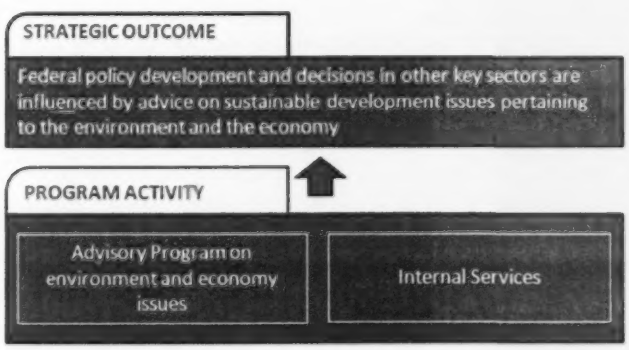
STRATEGIC OUTCOME
Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy
PROGRAM ACTIVITY
Advisory Program on environment and economy issues
Internal Services

Figure 2: NRTEE Program Activity Architecture (PAA)

Organizational Priorities

Two overarching ongoing priorities were identified in the 2010–11 RPP, each with specific underlying initiatives.

Priority	Type	Strategic Outcome
Produce and promote advice to decision makers on environment and economy issues.	Ongoing	Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy.
Status: Mostly Met		

- All identified initiatives were successfully completed with one minor exception. The planned institution of a policy brief program has been deferred to the following fiscal year, to be implemented as part of a broader strategic communications strategy.
- Advice was provided to government through the first three reports under the *Climate Prosperity* research series, with positive reception from the stakeholder community.
- The first report under the other major research program, *Water Sustainability and the Future of Canada's Natural Resource Sectors,* was released early in the fiscal year.
- A unique collaborative initiative was entered into with the Royal Canadian Geographical Society, which greatly expanded the reach and influence of the Round Table's messages on climate change impacts. This experience demonstrated the need for similar co-operative ventures to leverage limited resources and extend the reach of the Round Table.
- Communication efforts, including media relations' initiatives, consultation, and convening activities resulted in positive media coverage and an informed, supportive stakeholder community.

Priority	Type	Strategic Outcome
Apply sound management practices	Ongoing	
Status: Met all		

- Both identified management initiatives priorities were successfully implemented during 2010–11.

Risk Analysis

Context

The NRTEE strives to influence the government's approach to important sustainable development issues. To accomplish this, the NRTEE must produce and promote relevant, neutral, and credible advice in a timely manner. Its ability to do so is affected by both external and internal factors.

Changes in our operating environment have been, and will continue to be, a challenge for a small agency such as the NRTEE. We expect to experience continuing pressures to adapt and respond over the next few years. Key risk factors are discussed below.

Risk Factors and Challenges

- A key indicator of the NRTEE's performance is its ability to influence government policy development. In Canada, particularly for the issues typically examined by the NRTEE, federal policy is not developed in isolation. It is affected by the government's relationships with other Canadian and international jurisdictions and by a range of other factors over which the NRTEE has no control, creating a complex decision-making environment.

- The ability to influence government is a difficult performance indicator to measure, a fact substantiated by feedback from both internal and external stakeholders. In addition to the challenge described above, the NRTEE's influence on government decisions may translate into action only years after NRTEE's reports and recommendations are published. Therefore, the causal effect may not always be clear.

- The timing of the appointment of new members to the Round Table has, in the past, posed challenges for the NRTEE in terms of ensuring continuity for its work. Ensuring balanced representation of members is an ongoing goal. The NRTEE mitigates risk in this regard by broadly consulting with stakeholders to ensure that its work reflects representation from all sectors and regions of the country.

- The members' expertise and insight is critical to directing the NRTEE's research and analysis. Because of the inherent risk in having insufficient members and representation of interests, experience, and regional diversity, it is important that appointments occur in a timely manner.

- One of the NRTEE's unique strengths is its ability to convene disparate groups on difficult issues. This ability stems from it being viewed as a trusted, neutral, and credible organization. As a result there is an implicit reputational risk in everything the NRTEE does. It must carefully guard its position as independent and balanced for it to function successfully within its stakeholder community.

Summary of Performance

Financial Resources Summary ($ thousands)

Planned Spending	Total Authorities	Actual Spending
5,243.3	5,491.8	5,152.1

Human Resources Summary (FTEs)

Planned	Actual	Difference
31	31	0

Strategic Outcome: Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy.

Performance Indicator	Targets	2010-11 Performance
Extent to which NRTEE advice is considered in policy decisions by federal decision makers	NRTEE advice is partly responsible for a number of policy decisions and is often considered in assessing relevant policy choices by federal government policy makers	While priorities established in the 2010–11 RPP were substantially met and stakeholder feedback supports the relevance and usefulness of the NRTEE's work, clear attribution of outputs and results to the achievement of the defined targets and the strategic outcome remains a distinct challenge for the Round Table, as it is for all policy advisory bodies.

Program Activity	2009–10 Actual Spending ($ thousands)	2010–11 ($ thousands)				Alignment to Government of Canada Outcome
		Main Estimates	Planned Spending	Total Authorities	Actual Spending	
Advisory program on environment and economy issues	2,971.5	3,329.1	3,329.1	3,476.3	3,362.4	Strong Economic Growth
Internal Services	1,949.0	1,914.2	1,914.2	2,015.5	1,789.7	
Total	4,920.5	5,243.3	5,243.3	5,491.8	5,152.1	

Expenditure Profile

In 2010–2011, the Round Table's spending was $5.15 million. In this period, there were no transfer payment programs or significant shifts in spending. The resource base and associated spending patterns have been very stable for a number of years, with only minor inconsequential variances.

Estimates by Vote

For information on our organizational Votes and/or statutory expenditures, please see the 2010–11 Public Accounts of Canada (Volume II) publication. An electronic version of the Public Accounts is available on the Public Works and Government Services Canada website.[1]

[1] See Public Accounts of Canada 2010, http://www.tpsgc-pwgsc.gc.ca/recgen/txt/72-eng.html.

Section II: Analysis of Program Activities by Strategic Outcome

NRTEE Strategic Outcome

The NRTEE has a single Strategic Outcome as approved by the Treasury Board of Canada Secretariat. It is as follows:

> Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy.

The NRTEE's approach to achieving its Strategic Outcome consists of producing and promoting its policy advice and applying sound management practices in all aspects of its work. The NRTEE's goal is to increase the understanding of decision makers and Canadians about challenges and opportunities at the intersection of the environment and the economy, and to inform the public policy debate on those questions.

The NRTEE is in the unique position of being an independent policy advisory agency that advises the federal government on sustainable development solutions. It raises awareness among Canadians and their governments about the challenges of sustainable development by advocating for positive change and strives to promote credible and impartial policy solutions that are in the best interest of all Canadians.

During 2010–2011, the NRTEE engaged federal departments, agencies, and key national, provincial, and territorial stakeholders in our research, including the stages in which we seek advice and practical solutions. Throughout the course of its work, the NRTEE has continued to suggest ways to make environmental and economic concerns an important part of the government's decision-making processes and encourage the adoption of its sustainable development recommendations.

In support of the Strategic Outcome, the Main Estimates set out two program activities:

- Advisory Program on Environment and Economy Issues
- Internal Services

Program Activity Description: Advisory Program on Environment and Economy Issues

PA Description

Raising awareness and understanding among Canadians and their governments about the challenges of sustainable development and promoting viable solutions are vital to Canada's environmental and economic future. Through this program, the National Round Table on the Environment and the Economy (NRTEE) strives to influence policy development and decision making on select sustainable development issues pertaining to the environment and the economy.

The NRTEE conducts research and analysis and produces information and advice on selected sustainable development issues. The agency promotes its findings and recommendations through a variety of communications channels such as media relations, stakeholder briefings and other events, publications, and the agency website to influence policy and decisions of policy makers in the federal government and other key sectors such as other levels of government, industry, and non-government organizations across the country.

Financial Resources

2010–11 Financial Resources Summary ($ thousands)

Planned Spending	Total Authorities	Actual Spending
3,329.1	3,476.3	3,362.4

Human Resources

2010–11 Human Resources Summary (FTEs)

Planned	Actual	Difference
18	18	0

Summary of Performance Results by Indicator

2010–11 Financial Resources Summary ($ thousands)

Planned Spending	Total Authorities	Actual Spending	
3,329.1	3,476.3	3,362.4	
Expected Results	**Performance Indicators**	**Targets**	**Performance Status**
Increased awareness and understanding	Level of awareness and understanding by federal decision makers of NRTEE advice on selected issues	Decision makers have high level of awareness of challenges and potential solutions proposed by the NRTEE. NRTEE is perceived as a leader, able to bring stakeholders together to discuss current and emerging issues.	Met All
Useful recommendations and advice	Usefulness of policy advice and recommendations	Informed and regular contact with government decision makers at all appropriate levels. Detailed policy briefings provided. Policy analysis is seen as relevant, timely, and useful. High stakeholder satisfaction.	Mostly Met
Effective communication of recommendations	Quality and reach of external communications	High visibility with stakeholders. Communications reach wide range of target audiences. Broad range of communications products, perceived to be of high quality. Periodic media coverage, generally positive.	Met All
High quality research and consultations	Effectiveness of stakeholder consultation	Frequent consultation with stakeholders at national and regional levels. Consultations confirm high-quality NRTEE research and build support for policy advice. High level of participation in NRTEE events. Events are perceived to have high added value.	Met All

Within this Program Activity, two core areas of effort — Produce Advice and Promote Advice — contribute to the expected results described above.

Produce Advice

Producing advice entails conducting original research and convening experts and stakeholders to ensure balance and credibility. The research analyzes the environmental and economic facts and trends underlying each issue. NRTEE members review and approve the resulting policy recommendations .This effort culminates in a report that presents the findings, analysis, and recommendations from the research and consultation process and the consensus of members.

The NRTEE 2010–11 *Report on Plans and Priorities* (RPP) identified a number of key initiatives, which were with one minor exception successfully completed.

(a) Generate Policy Advice

In terms of its policy initiatives in the 2010–2011 fiscal year, the NRTEE focused its attention on a number of critical issues and research areas:

- The economic risks and opportunities of climate change (*Climate Prosperity* program)
- Water sustainability and Canada's natural resource sectors
- Oil sands dialogue
- Partnership with the Royal Canadian Geographical Society

Building on its previous work on climate change, the NRTEE launched its *Climate Prosperity* program in 2009–2010, focusing on the economic risks and opportunities for Canada related to climate change.

Climate Prosperity is a two-year policy initiative focusing on two principal research streams:

1. The economic implications for Canada resulting from a changing climate, how we should adapt, and its associated costs.
2. The economic implications for Canada resulting from the transition to a low-carbon economy, what this means for our future competitiveness, and what strategies are needed to succeed.

In 2010–2011, the Round Table published the first three reports of its *Climate Prosperity* initiative.

Knowing where we stand is a key component in determining where we must focus if Canada is to compete and win in this new reality. This is the purpose of the first report entitled *Measuring Up: Benchmarking Canada's Competitiveness in a Low-Carbon World* released in May 2010. It assesses Canada's competitiveness against other G8 nations in areas such as emissions and energy, skills, investment, innovation, and governance with Canada's first ever low-carbon performance index.

Climate change will affect Canadians differently depending upon where they live. Understanding what those impacts could be and planning ahead can help us all adapt and prosper through decades of climate change to come. The second report, *Degrees of Change: Climate Warming and the Stakes for Canada*, contains a unique illustration of how climate change could impact Canada over the 21st century if global warming trends continue.

The diagram highlights 60 potential impacts of a changing climate, plotted at levels of warming ranging from today's global temperature increase of 0.78 degrees Celsius above pre-industrialized levels to 5 degrees Celsius over the course of this century. This report explains what we can expect from climate change across eight major categories of impacts ranging from ecosystems to water resources to human health and much more.

Parallel Paths: Canada–U.S. Climate Policy Choices is the third report of the *Climate Prosperity* series that was released this year. The report offers new analysis, insight, and advice on the implications of harmonizing climate policies in Canada with those in the United States. It shows that harmonizing carbon targets is not the same as harmonizing carbon prices; each has different and important implications for Canada's environment and economy. And it shows how we can still move forward even if there is delay and uncertainty in U.S. climate policy direction.

The NRTEE program on *Water Sustainability and Canada's Natural Resource Sectors* is designed to examine the relationship between the energy, mining, forestry, and agriculture sectors and water sustainability. It evaluates the best policies, approaches, and mechanisms that governments, industry, and water-management authorities can use to manage water and foster both ecosystem health and the economic sustainability of the various resource sectors.

Building on extensive consultations with industry and other stakeholders, a first report, *Changing Currents: Water Sustainability and the Future of Canada's Natural Resource Sectors*, was released on June 17, 2010, in conjunction with the inaugural Canadian Water Summit in Mississauga, Ontario. This report described the key water issues for those sectors and highlighted areas for recommendations and action.

In the late summer of 2010, a groundbreaking meeting was held in Fernie, British Columbia, organized by the NRTEE and the Public Policy Forum (PPF). A small group of thoughtful Canadian leaders from all sides of the oil sands debate met to exchange views and perspectives on creating the conditions for a positive dialogue on the sustainable development of the industry. Essentially, it was a meeting to consider whether and how a more positive form of dialogue could occur among all parties.

The Fernie meeting led to the publication of *Oil Sands: From Debate to Dialogue* in November 2010. In this report, the NRTEE and PPF recommend that industry, government, ENGOs, and the First Nations communities proceed now on advancing a dialogue on the issue of oil sands performance. Acknowledging the multiple facets of the oil sands issue and different scales at which they have an impact, it became clear that the proposed "dialogue" is not one but actually three related and ultimately linked dialogues: oil sands performance, Canada's clean energy strategy and the role of oil sands within it, and Canada's climate change policy. There are clear policy linkages between them, and the timing and progress of each dialogue could have effects on the others.

In October 2010, the National Round Table on the Environment and the Economy launched a new collaborative initiative with the Royal Canadian Geographical Society (RCGS) raising awareness of the physical impacts of climate change in Canada.

Central to this initiative was a unique national poster-diagram called *Degrees of Change* that was included in the October editions of the *Canadian Geographic* and *Géographica* magazines. The diagram illustrates the likely physical impacts of climate change on our country from today's levels of warming to over 5 degrees Celsius. You can see in one place, for the first time, how and where Canada and Canadians could be affected by warming temperatures and changing precipitation across a spectrum of impact areas, ranging from ecosystems to human health to water resources and more.

The NRTEE and RCGS also initiated a national conversation on what climate change could mean to Canada and how we could successfully adapt. We held six national and regional expert panel discussions in October 2010 in Ottawa, Halifax, Montréal, Toronto, Vancouver, and Saskatoon to engage Canadians on this important topic.

In addition, the NRTEE collaborated with the Royal Canadian Geographical Society's Canadian Council for Geographic Education to develop 13 lesson plans — one for each province and territory — which are being taught to hundreds of thousands of young Canadians in more than 12,000 schools. The RCGS Canadian Atlas Online (CAOL) also dedicated a module to the NRTEE's *Climate Prosperity* program complete with videos, interactive maps, and diagrams.

In support of this initiative, the National Round Table developed a new website where visitors can learn more about how Canada can prosper in the face of global climate change. To learn more about the NRTEE's *Climate Prosperity* program and *Degrees of Change*, visit www.climateprosperity.ca.

(b) Review Stakeholders Engagement Processes

Sustainability requires specially crafted governance mechanisms to navigate through difficult issues and to create a more integrated perspective within our governments and society on how to achieve sustainability. A joint NRTEE–Public Policy Forum (PPF) collaborative process brought together leading Canadian experts and practitioners in sustainability and public policy to consider how more collaborative governance and broader engagement processes might lead to effective progress on sustainable development. This led to the release of a report entitled *Progress Through Process,* which drew two main conclusions. First, public policy progress on sustainable development in Canada is suffering because traditional governance approaches are no longer sufficient for today's complex world and pluralistic society. Second, those concerned with public policy on sustainable development should not always wait for governments to lead. On some issues, positions have become so polarized and entrenched that governments are not always best placed to break the logjam. In such cases, policy or advisory organizations like PPF and NRTEE can play a critical role as neutral conveners and facilitators of a dialogue that tries to reframe key issues and move stakeholders away from entrenched positions. In this way, a more open public policy space can be created to facilitate progress.

(c) Strengthen the Strategic Outlook and Research Function

This function was strengthened and formalized during the year, with regular forward-looking intelligence updates provided to the policy team to assist with longer-term strategic thinking. The planned institution of a policy briefs program was deferred to the upcoming fiscal year as part of the rollout of a broader strategic communications plan.

(d) Comply with Bill C-288

In July 2010, the NRTEE complied with its legislated responsibilities under the *Kyoto Protocol Implementation Act* (KPIA). This was the NRTEE's fourth response to its obligations under KPIA. The NRTEE response may be found at http://www.nrtee-trnee.com/eng/issues/programs/KPIA/KPIA.php.

(e) Respond to Government References

In 2010–2011 the NRTEE was not called upon to respond to any formal government research requests. Two such requests were received at the end of the fiscal year, for completion in 2011–2012 and will be reported on in next year's DPR.

Promote Advice

On completion of a research program or project, the agency promotes its findings and advice through a variety of communications channels to reach targeted decision makers and opinion leaders across the country. This step is crucial for raising awareness and understanding and for influencing policy development. The NRTEE maintains and updates networks of selected individuals and stakeholder groups as a starting point for these activities.

Two specific initiatives were identified in the 2010–11 RPP:

(a) Enhance Stakeholder Communication Activities

The NRTEE's independent role and credibility make it a natural and effective convener for matters related to sustainable development. In 2010–2011, the NRTEE used its convening ability on a regular basis, generating productive roundtable discussions on a broad range of interests across sectors and regions of Canada. NRTEE staff and members are regularly asked to meet with or present to various government officials, industry groups, and other stakeholders.

The NRTEE was more engaged in such external activities than ever before in 2010–2011, either by hosting or participating in more than 60 stakeholder sessions and speaking engagements in Canada and abroad.

Most of these events were organized as part of the NRTEE's main research programs. On a few occasions, the NRTEE convened stakeholders for roundtable discussions on other related topics.

In April 2010, the NRTEE, along with other Canadian think tanks, convened a unique group of individuals in Banff to discuss whether Canada needs an energy strategy now and if so, what would it look like. Representatives of major Canadian corporations involved with all forms of energy, members of the Energy Policy Institute of Canada, the Energy Framework Initiative, the Canadian Council of Chief Executives, and the Canadian Chamber of Commerce all participated.

In June 2010, the NRTEE collaborated with the Standards Council of Canada (SCC) to host a one-day workshop with representatives from the federal and territorial governments, as well as some representatives from the standards industry. The goal of the session was to determine demand for and possible ways the SCC could address the recommendations in the NRTEE's *True North: Adapting Infrastructure to Climate Change in Northern Canada* report and lead the effort to integrate climate risks into codes, standards, and related instruments to enhance infrastructure resilience to climate change in Northern Canada.

Based on a range of feedback mechanisms, the NRTEE was successful in achieving its expected results for the fiscal year.

(b) Improve Strategic Communications

Over the past fiscal year, the NRTEE's communications and public affairs agenda focused on developing and implementing a strong, integrated strategic communications strategy that will guide the Round Table's communications activities and initiatives for the coming years. This initiative was informed by extensive consultation with stakeholders on their perceptions of the NRTEE's brand and identity and will lead to a visual and functional redesign and rebranding of its website during 2011–2012.

In 2010–2011, the Round Table achieved significant presence in national and regional media, particularly in support of its key reports and initiatives.

Media coverage following the launch of *Parallel Paths* was exhaustive with more than 30 media outlets from across Canada reporting on the latest addition to the NRTEE's *Climate Prosperity* series. *Degrees of Change*, the NRTEE/RCGS collaborative initiative, drew coverage from over 100 media outlets from across Canada and abroad, with major global news agencies, national and regional radio programs, television outlets, and influential newspapers in Canada reporting on the widespread impacts expected in Canada as the climate changes over the coming century. In addition to media attention garnered following the launch of its latest reports, the NRTEE continued to receive national media coverage on a number of issues including emissions reductions, energy, and climate change.

The Round Table's website continued to evolve during the year — both technologically and with respect to content. The NRTEE's communications and outreach efforts continue to be marked by an evolution to electronic publishing, with some reports and discussion papers being released only in electronic form.

Performance Analysis

Although the NRTEE achieved its targets and expected results, it remains a difficult challenge to attribute those successes directly to the achievement of the Strategic Outcome, mainly to *"Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy."* While these accomplishments certainly enhance the NRTEE's ability to achieve its Strategic Outcome, a direct causal relationship is hard to establish as there are many contributing factors outside the control of the NRTEE. Performance measurement in this fashion remains one of the ongoing challenges and risks of the NRTEE, something that has been echoed in feedback from stakeholders.

Performance is in part measured and supported by independent surveys and feedback from stakeholders and NRTEE members. Results and responses during 2010–2011 indicated that the NRTEE

- produces high quality, balanced, credible work that is on the leading edge in its field;
- is a trusted neutral reference;
- has a unique capacity to convene important dialogues around policy research, bringing diverse interests together in an effective manner; and
- produces research and advice that is useful in different capacities.

Figures 3 and 4 demonstrate the results of feedback received from participants who were present at numerous NRTEE stakeholder sessions throughout the year. The two questions asked of participants illustrate their responses in the areas of NRTEE influence and relevance.

The survey results shown in the two figures clearly demonstrate that stakeholders were generally positive in terms of their perceptions of the NRTEE's potential impact and relevance. The relatively high percentage of "neutral" responses could be due to the challenge of clearly attributing changes in government policy directly to the NRTEE's efforts in areas of policy that are intangible and difficult to measure, and in an environment where so many factors are at play.

Survey results for the statement "The NRTEE's work has a significant impact on the way that key decision makers in Canadian governments think about issues that affect the environment and the economy." Answers from participants from various NRTEE outreach sessions (March 2010–February 2011).

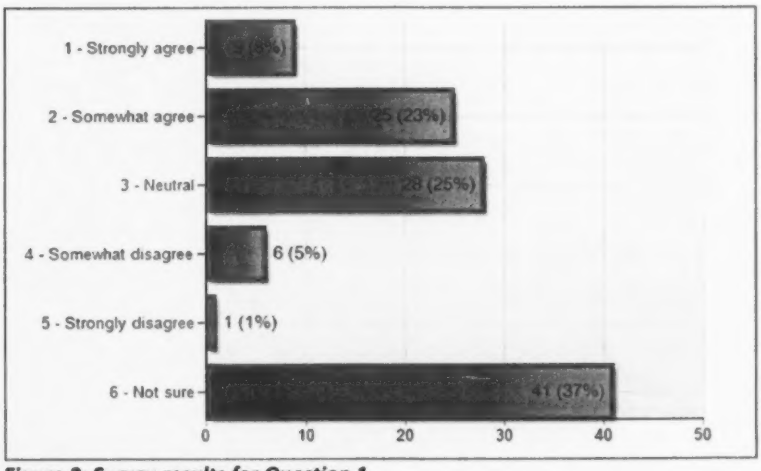

Figure 3: Survey results for Question 1

Survey results for the statement "I believe that that the NRTEE's work is highly relevant to key issues that affect Canada's capacity to address challenges related to the environment and the economy" Answers from participants from various NRTEE outreach sessions (March 2010–February 2011).

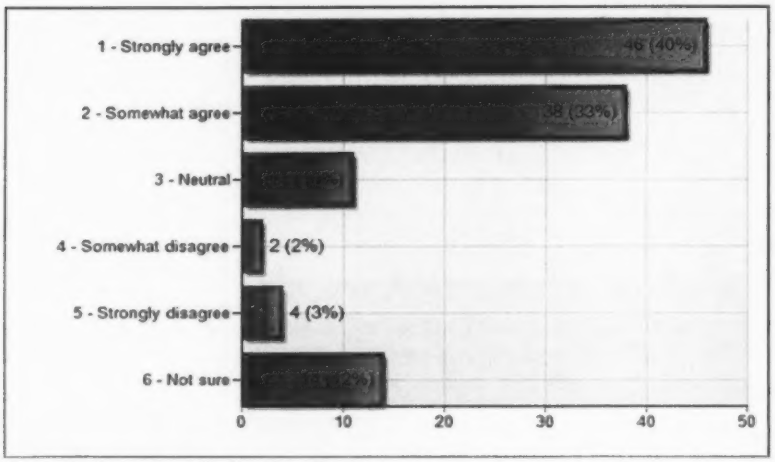

Figure 4: Survey results for Question 2

There is strong agreement among stakeholders that the NRTEE's work is relevant and useful. For example, the government has made improvements to its GHG emissions forecasting methodology based on NRTEE advice. Policy options and research produced by the NRTEE during the past year have also been considered by federal departments and have been referenced and used by provincial and territorial governments.

Stakeholders have the view that greater reach and depth of NRTEE communications activities will be necessary for it to influence the broader sustainability community and how, they, in turn, influence decision makers.

Some stakeholders suggested that the NRTEE's reach could be broadened to a wider audience, both within government and to the public more generally. They noted that the NRTEE plays a unique and important advisory role, but that its direct impact on federal policy decision-making outcomes is difficult to measure. Factors beyond the direct control of the NRTEE will continue to impact its full success in fulfilling this specific Strategic Outcome. This difficulty in directly attributing efforts to results is an ongoing and systemic challenge of independent policy and research organizations.

The high level of downloads of our reports demonstrates a continuing strong interest in the work of the Round Table. Since it was released, downloads for *Changing Currents* has approached 30,000.

Electronic publishing has helped to extend the NRTEE's outreach to its stakeholders and reduce the number and cost of hard-copy reports. Access to publications via the website has not only permitted immediate access to our stakeholders, it has significantly increased the distribution levels.

REPORTS	Downloads to August 15, 2011
Parallel Paths: Canada-U.S. Climate Policy Choices	6590
Degrees of Change: Climate Warming and the Stakes for Canada	3341
Changing Currents: Water Sustainability and the Future of Canada's Natural Resource Sectors	29, 093
Measuring Up: Benchmarking Canada's Competitiveness in a Low-Carbon World	5320
NRTEE Response to its obligations under the Kyoto Protocol Implementation Act	925

Lessons Learned

- The experience with the Royal Canadian Geographical Society, coupled with stakeholder feedback showing the desire for a broadening of outreach, has reinforced the need for the NTRTEE to use creative collaborations to leverage its resources and broaden its reach.
- Extensive feedback, both from within the Round Table and from its stakeholder community, has shown that the NRTEE needs to update its image, strengthen its brand presence, and communicate more broadly and strategically. This will be addressed in the coming year with the rollout of a strategic communications plan and brand identity, including a new website.
- Social media needs to be used more to enable broader and more effective communications with stakeholders.
- Based on feedback, it is clear that the issues being raised in the *Climate Prosperity* initiative are garnering strong interest across and beyond the NRTEE stakeholder community.

Program Activity: Internal Services

Financial Resources

2010–11 Financial Resources Summary ($ thousands)

Planned Spending	Total Authorities	Actual Spending
1,914.2	2,015.5	1,789.7

Human Resources

2010–11 Human Resources Summary (FTEs)

Planned	Actual	Difference
13	13	0

The 2010–11 RPP identified Applying Sound Management Practices in Operations as the priority for the Internal Services activity. Sound management practices enable the NRTEE to efficiently and effectively deliver on its main program activity.

Two specific initiatives were identified for Internal Services in the 2010–11 RPP, both of which were successfully completed.

First, the NRTEE network infrastructure was successfully migrated to a virtual environment resulting in lower cost and a more secure and "greener" network.

Second, the NRTEE database, which is a critical tool for stakeholder communications and convening activities, was reconfigured and updated, resulting in a more robust and flexible tool to support core business activities.

With limited staff and a small budget, the agency takes seriously its responsibility to ensure that the stewardship of its financial and human resources is effective and aligned with government-wide initiatives. The use of partnerships to leverage resources and expand the reach of the agency was actively pursued in 2010–2011. In particular, the collaborative agreement with the Royal Canadian Geographical Society on the *Degrees of Change* initiative enabled the NRTEE to greatly expand its reach, and by extension its influence on the key issue of climate change impacts.

Again for 2010–2011, the NRTEE had no significant findings in the annual financial statement audit by the Office of the Auditor General of Canada. There was no Management Accountability Framework (MAF) assessment during the fiscal year; the next scheduled review is in 2012–2013

Lessons Learned

- A flexible, adaptable, cross-trained workforce is essential for a micro agency such as the NRTEE to deliver its objectives.
- Excellence in strategic resource management is critical when dealing with increasing workloads in the face of constrained resources.

Section III: Supplementary Information

NRTEE Financial Highlights

Condensed Statement of Financial Position at end of Fiscal Year (March 31, 2011)

	% Change	$ thousands	
		2011	2010
Total Assets	6.7	764.9	717.2
Total Liabilities	13.3	1,279.9	1,129.5
Total Equity	24.9	(515.0)	(412.3)
TOTAL	6.7	764.9	717.2

Condensed Statement of Operations at end of Fiscal Year (March 31, 2011)

	% Change	$ thousands	
		2011	2010
Total Expenses	6.8	5,675.6	5,313.1
Total Revenues	8930	90.3	1.0
NET COST OF OPERATIONS	5.1	5,585.3	5,312.1

Financial Statements

As a departmental corporation listed in Schedule II of the *Financial Administration Act*, the NRTEE is required to produce an annual report containing its audited financial statements. An electronic version of this report for 2010–2011 may be found on NRTEE's website at the following link: http://www.nrtee-trnee.ca/eng/reports/corporate-reports/annual-reports/annual-report-2010-2011.php

Supplementary Information Table

- Green Procurement

All electronic supplementary information tables listed in the 2010–2011 Departmental Performance Report can be found on the Treasury Board of Canada Secretariat's website at http://www.tbs-sct.gc.ca/dpr-rmr/eng.asp.

Section IV: Other Items of Interest

NRTEE Stakeholders and Their Expectations

As the stakeholder map in Figure 5 indicates, NRTEE serves a number of stakeholders, including Cabinet and Parliamentarians, the Minister of the Environment, federal decision makers, and national stakeholders who have an interest in the environment and sustainable development. The figure summarizes the expectations of each of these stakeholders in relation to the NRTEE.

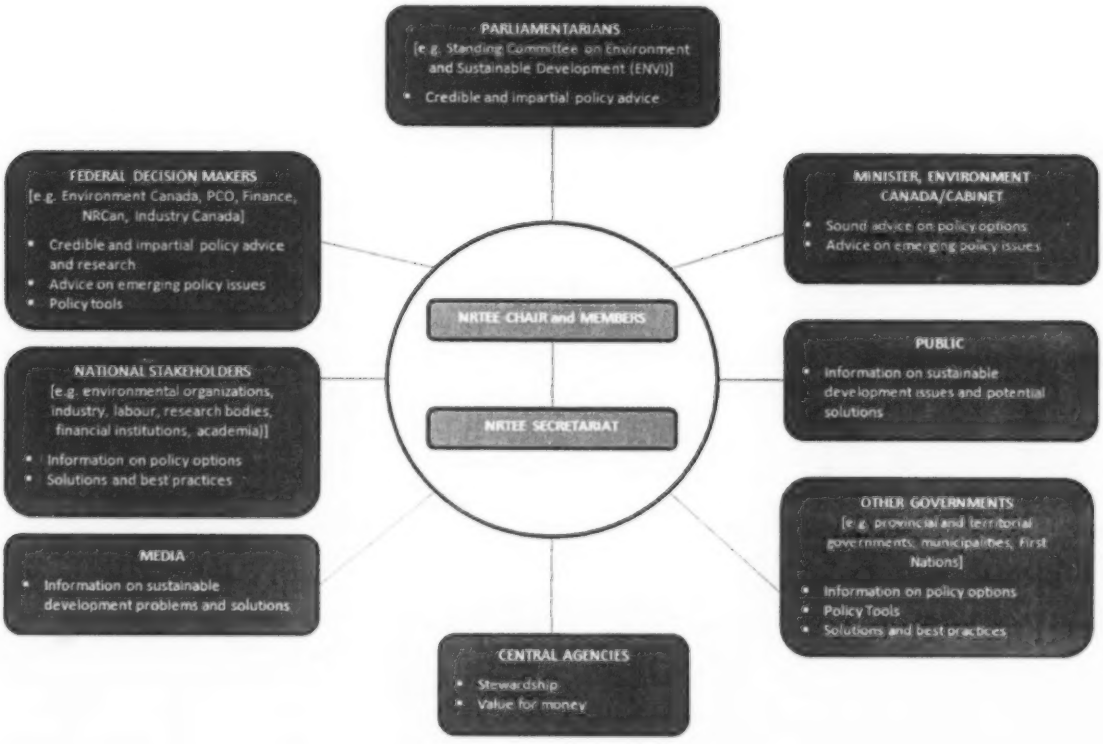
PARLIAMENTARIANS
[e.g. Standing Committee on Environment and Sustainable Development (ENVI)]
Credible and impartial policy advice
FEDERAL DECISION MAKERS
[e.g. Environment Canada, PCO, Finance, NRCan, Industry Canada]
Credible and impartial policy advice and research
Advice on emerging policy issues
Policy tools
MINISTER, ENVIRONMENT CANADA/CABINET
Sound advice on policy options
Advice on emerging policy issues
NRTEE CHAIR and MEMBERS
NRTEE SECRETARIAT
NATIONAL STAKEHOLDERS
[e.g. environmental organizations, industry, labour, research bodies, financial institutions, academia]]
Information on policy options
Solutions and best practices
PUBLIC
Information on sustainable development issues and potential solutions
MEDIA
Information on sustainable development problems and solutions
OTHER GOVERNMENTS
[e.g. provincial and territorial governments, municipalities, First Nations]
Information on policy options
Policy Tools
Solutions and best practices
CENTRAL AGENCIES
Stewardship
Value for money

Figure 5: NRTEE Stakeholders and their expectations

NRTEE Performance Measurement Framework

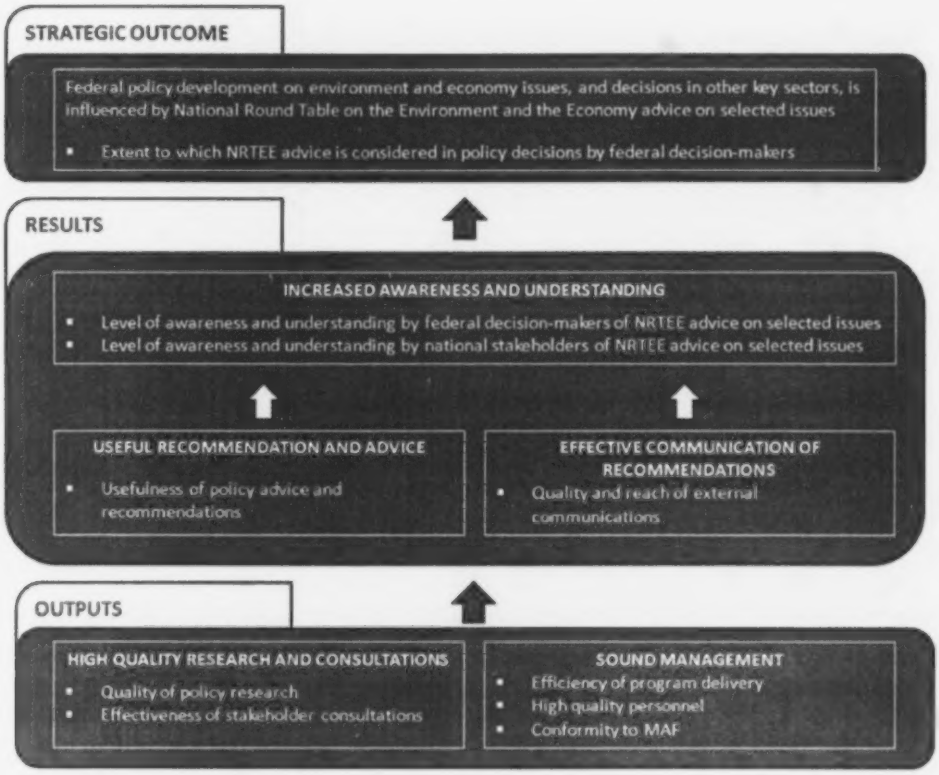
STRATEGIC OUTCOME
Federal policy development on environment and economy issues, and decisions in other key sectors, is influenced by National Round Table on the Environment and the Economy advice on selected issues
Extent to which NRTEE advice is considered in policy decisions by federal decision-makers
RESULTS
INCREASED AWARENESS AND UNDERSTANDING
Level of awareness and understanding by federal decision-makers of NRTEE advice on selected issues
Level of awareness and understanding by national stakeholders of NRTEE advice on selected issues
USEFUL RECOMMENDATION AND ADVICE
Usefulness of policy advice and recommendations
EFFECTIVE COMMUNICATION OF RECOMMENDATIONS
Quality and reach of external communications
OUTPUTS
HIGH QUALITY RESEARCH AND CONSULTATIONS
Quality of policy research
Effectiveness of stakeholder consultations
SOUND MANAGEMENT
Efficiency of program delivery
High quality personnel
Conformity to MAF

Figure 6: NRTEE Performance Measurement Framework

NRTEE Members

NRTEE members meet four times a year to review research, approve reports, and agree on new priorities for action. Members often participate in expert advisory committees and on NRTEE task forces. They bring unique expertise as well as a broader perspective to the Round Table, essential to enriching the NRTEE's results.

The members (from April 1, 2010 to March 31, 2011) are listed below:

Bob Page (Chair)
Calgary, Alberta

David Bishop
Regina, Saskatchewan (from August 6, 2010)

The Honourable Pauline Browes, P.C.
Toronto, Ontario

Elizabeth Brubaker
Toronto, Ontario (to January 29, 2011)

Angus Bruneau
St. John's, Newfoundland and Labrador (to April 2, 2010)

Dianne Cunningham
London, Ontario

Anthony Dale
Toronto, Ontario (to January 29, 2011)

Francine Dorion
Saint-Bruno-de-Montarville, Québec (to June 4, 2010)

John V. Hachey
Lachine, Québec

Timothy R. Haig
Oakville, Ontario

Christopher Hilkene
Toronto, Ontario

Franklin Holtforster
Ottawa, Ontario

Robert Kulhawy
Calgary, Alberta (from April 22, 2010)

Donald MacKinnon
Toronto, Ontario

Ken McKinnon
Whitehorse, Yukon (to April 2, 2010)

Robert Mills
Red Deer, Alberta

Mark Parent
Canning, Nova Scotia (from May 14, 2010)

Richard Prokopanko
Vancouver, British Columbia

Wishart Robson
Calgary, Alberta (to June 27, 2010)

Robert Slater (Vice-Chair)
Ottawa, Ontario

NRTEE President and CEO
David McLaughlin

Biographies and additional information about NRTEE members can be found at http://www.nrtee-trnee.ca/eng/about-us/members/nrtee-members.php.

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